

342.347 Examination of finances of individual self-insureds -- Annual statement of financial condition -- Role of Office of Insurance.

- (1) The executive director or his designee shall have power to examine the financial condition and affairs related to workers' compensation of any individual self-insureds and shall have free access to books and documents relating to the self-insurance activities of the entity. The executive director shall so examine each individual self-insured not less frequently than once every four (4) years. Information obtained through the examination shall be exempt from disclosure, under KRS 61.878(1)(j).
- (2) All individual self-insured employers shall file with the executive director a statement of financial condition audited by an independent certified public accountant on or before one hundred twenty (120) days from the end of the self-insured's fiscal year for the immediately preceding fiscal year.
- (3) The expense of examination shall be borne by the entity examined and shall include reasonable lodging and travel expenses of the executive director's designees, and expert assistance as necessarily incurred in the examination.
- (4) The Office of Insurance shall approve the form and contents of excess insurance policies and upon request of the executive director shall review the application for approval of any individual self-insured and render an opinion as to the sufficiency of the excess insurance policies or other security posted by the applicant.
- (5) Not less often than biennially, the executive director of the Office of Insurance shall review the activities, procedures, administrative regulations, and policies of the Office of Workers' Claims and make such recommendations to the Governor and legislative committees as may be appropriate to strengthen the oversight of individual self-insureds so that payment of liabilities to workers under this chapter is assured.

Effective: June 20, 2005

History: Amended 2005 Ky. Acts ch. 45, sec. 10, effective June 20, 2005; ch. 93, sec. 7, effective March 16, 2005; and ch. 7, sec. 44, effective March 1, 2005. -- Created 1996 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 35, effective December 12, 1996.

Legislative Research Commission Note (3/1/2005). This section was amended by 2005 Ky. Acts chs. 7, 45, and 93, which do not appear to be in conflict and have been codified together.

Legislative Research Commission Note (3/1/2005). Subsection (1) of this statute was amended in 2005 Ky. Acts chs. 45 and 93 to correct a reference to KRS 61.878(1)(j). This amendment became unnecessary, however, when the Statute Reviser, acting at the request of the Office of the Attorney General, adjusted the lettering and numbering in KRS 61.878. Under KRS 7.136, the original reference to KRS 61.878(1)(j) has been retained in subsection (1) of this statute.

Legislative Research Commission Note (3/1/2005). 2005 Ky. Acts chs. 11, 85, 95, 97, 98, 99, 123, and 181 instruct the Reviser of Statutes to correct statutory references to agencies and officers whose names have been changed in 2005 legislation confirming the reorganization of the executive branch. Such a correction has been made in this section.